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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

MIKE GLEASON, Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
KRISTIN K. MAYES  
GARY PIERCE

2008 FEB 28 A 10:39

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY,  
AN ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS  
RATES AND CHARGES BASED THEREON  
FOR UTILITY SERVICE BY ITS PARADISE  
VALLEY WATER DISTRICT.

DOCKET NO. W-01303A-05-0405

Arizona Corporation Commission

**DOCKETED**

FEB 28 2008

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY  
FOR APPROVAL OF AN AGREEMENT WITH  
THE PARADISE VALLEY COUNTRY CLUB.

DOCKET NO. W-01303A-05-0910

**PROCEDURAL ORDER**

**BY THE COMMISSION:**

On June 3, 2005, Arizona-American Water Company filed with the Arizona Corporation Commission ("Commission") an application for a rate increase for its Paradise Valley Water District ("District"). The application requested approval for the District of a public safety surcharge for investments by the Company related to improvement of fire flow facilities; an Arsenic Cost Recovery Mechanism for investments required by the Company to comply with federal water arsenic reduction requirements; and approval of a conservation surcharge that would be imposed for usage in the highest consumption block.

On July 28, 2006, issued Decision No. 68858 in these dockets, approving the Company's requests, including a public safety surcharge and a high block surcharge. Since that time, there have been numerous filings in this docket regarding the surcharges.

On January 16, 2008, the Town of Paradise Valley ("Town"), through its Town Manager,

1 filed in these dockets a letter and a copy of a document entitled Rate Design Agreement which is  
2 dated January 4, 2008. The Rate Design Agreement attached to the Town's letter includes signature  
3 pages that appear to be signed by representatives of the Town, Sanctuary on Camelback Mountain,  
4 Camelback Inn, Scottsdale Renaissance, Clearwater Hills Improvement Association, Camelhead  
5 Estates II HOA, and Finisterre HOA. The January 16, 2008, letter from the Town encourages the  
6 Commission to reopen Commission Decision No. 68858 and modify the District's rate design  
7 consistent with the Rate Design Agreement.  
8


9 At a Commission Staff Meeting noticed for and held on February 27, 2008, the Commission  
10 voted to reconsider Decision No. 68858 pursuant to A.R.S. § 40-252 for the limited purpose of  
11 reviewing the Rate Design Agreement.

12 A procedural conference should be held to allow the parties to Decision No. 68858 to discuss  
13 an appropriate procedural schedule for reconsideration of the Decision.

14 IT IS THEREFORE ORDERED that Decision No. 68858 is hereby reopened for the limited  
15 purpose of reviewing the Rate Design Agreement filed in these dockets on January 16, 2008.  
16

17 IT IS FURTHER ORDERED that a **Procedural Conference** shall be held on **March 10,**  
18 **2008**, commencing at 2:00 p.m., at the Commission's offices, Hearing Room 1, for the purpose of  
19 allowing the parties to Decision No. 68858 an opportunity to discuss an appropriate procedural  
20 schedule for reconsideration of the Decision.

21 Dated this 28<sup>th</sup> day of February, 2007.  
22

23  
24 

25 TEENA WOLFE  
26 ADMINISTRATIVE LAW JUDGE  
27  
28

Copies of the foregoing mailed/delivered  
this 28<sup>th</sup> day of February, 2007 to:


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By:   
Debra Broyles  
Secretary to Teena Wolfe

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